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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/054,192	01/22/2002	Charles Gordon Fisher III	84417-4002	4435

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EXAMINER	
FIELDS, BENJAMIN S	

ART UNIT	PAPER NUMBER
3692	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/054,192	FISHER, CHARLES GORDON	
	Examiner	Art Unit	
	BENJAMIN S. FIELDS	3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *12 June 2008*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-38* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-38* is/are rejected.

7)☐ Claim(s) __ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on ___ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Introduction

1. A **request for continued examination (RCE)** under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), **was filed** in this application **AFTER FINAL rejection**. Since this application is **eligible** for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the **FINALITY** of the previous Office action has been **WITHDRAWN** pursuant to 37 CFR 1.114. Applicant's submission filed on 12 June 2008 has been entered.

2. The following is a **NON-FINAL** Office Action in response to the communication received on 12 June 2008. Claims 1-38 are now pending in this application.

Response to Amendments

3. The Examiner withdraws the previously asserted Claim Objection toward Claim 9 in view of the Applicants amendment.

4. The Examiner withdraws the previously asserted 35 U.S.C. 101 Claim Rejections toward Claims 19 and 23 in view of the clarification provided by the Applicant.

5. Applicants Amendments to Claims 1-38 has been acknowledged in that: **Claims 9, 20, 24, and 35 have been amended**; **NO Claims have been canceled**; **NO Claims have been added**; hence, as such, **Claims 1-38 are pending in this application**.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

7. Claims 1-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cooperstein (US Pat. No. 5,893,071), [hereinafter Cooperstein].

Referring to Claim 1: Cooperstein discloses a system for administering a payout option of an individual annuity contract of a contract owner, wherein said individual annuity contract is a variable annuity contract or a fixed annuity contract (Cooperstein: Column 3, Lines 25-30), said system comprising: a memory including data relating to said individual annuity contract stored therein, said data including an associated payout option which permits the contract owner of said individual annuity contract to request and withdraw an amount of principal from the annuity during a payout phase of the individual annuity contract (Cooperstein: Figures 7A-7C; Column 3, Lines 30-40); and a processor operatively coupled to said memory configured to read the associated payout option, to provide that option to a system user, and to calculate and issue a payout in response to a request from said contract owner for a withdrawal of the amount of principal from said annuity.

The Examiner notes within Claim 1 that the annuity contract for which data is stored "includes a payout option which permits the contract owner to withdraw an amount of principal from the annuity during the payout phase of the individual annuity contract" has been interpreted as an intended use, and as such, the memory disclosed in Cooperstein would be capable of performing such intended use.

The Examiner further notes that, even if (*the Examiner does not agree*), according to the Applicant, "Cooperstein does not disclose an annuity administration system or process to *structure* an annuity ...", Cooperstein discusses a system and method which could be ***obviously*** structured by one of ordinary skill in the art to implement the teachings as disclosed within the instant application.

At the time of invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein for annuity valuation to include features as shown in the instant application for the purpose of further structuring a unique method and system for the enhancement of critical components within annuity contracts (Cooperstein: Column 2, Line 39-Column 3, Line 39).

Referring to Claim 2: Cooperstein teaches a system and method where the withdrawal request can be for a portion of the available principal (Cooperstein: Figures 7A-7C; Column 10, Line 10-Column 11, Line 40).

Referring to Claim 3: Cooperstein shows system and method where the amount withdrawn may be of the entire principal value (Cooperstein: Figures 7A-7C; Column 10, Line 10-Column 11, Line 40//The Examiner notes that Cooperstein is capable of achieving the results of Claim 2; the same system and method would also be able to achieve results of Claim 3).

Referring to Claim 4: Cooperstein discusses a system and method with a withdrawal charge that will be calculated and withdrawn from withdrawal payments (Cooperstein: Figure 7, #202; Column 11, Lines 25-40).

Referring to Claims 5-8: Claims 5-8 are the methods for the system of Claims 1-4. As such, Claims 5-8 are rejected under the same basis as are Claims 1-4 as mentioned supra.

Referring to Claim 9: Cooperstein shows a system for administering an annuity contract comprising: a database providing storage to information related to the annuity contract, the information including a payout option and an annuitization date, wherein a computer is configured to determine whether the contract has annuitized based on the annuitization date; access the database to determine the payout option; calculates an annuity payment based on the payout option; determine entry into a payout phase after the annuitization date, wherein the payout option is an option where payments are made to a predetermined age; calculate one of a partial withdrawal amount and a surrender amount based on information in the database; and generates an output corresponding to the partial withdrawal amount or the surrender amount (Cooperstein: Figure 1; Column 4, Line 23-Column 5, Line 32; Column 5, Line 47-Column 7, Line 7).

Referring to Claim 10: Cooperstein teaches the limitations of Claim 9.

Cooperstein, however, does not expressly disclose a system wherein the database is further configured to store the number of units that are payable in an annuity payment, the number of units paid being calculated using the equation: Units Paid = (Amount Annuitized) x Annuity Factor Unit Value; and calculate the annuity payment based on the units paid.

The Examiner notes that it is old and well known to one of ordinary skill in the art to utilize equations in order to calculate annuity payments, etc.

At the time of invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein for annuity valuation to include features as shown in the instant application for the purpose of further structuring a unique method and system for the enhancement of critical components within annuity contracts (Cooperstein: Column 2, Line 39-Column 3, Line 39).

Referring to Claim 11: Cooperstein discusses the limitations of Claim 9.

Cooperstein, however, does not expressly show a system wherein the computer is configured to calculate the annuity factor using the equation: $1/[((1-vn)/d)]$; where $v = 1/(1 + I0)$, $I0 = AIR$, $d = I0v$, and n = (the predetermined age) - (the age of annuitant on the annuitization date).

The Examiner notes that it is old and well known to one of ordinary skill in the art to utilize equations in order to calculate annuity payments, etc.

At the time of invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein for annuity valuation to include features as shown in the instant application for the purpose of further structuring a unique method and system for the enhancement of critical components within annuity contracts (Cooperstein: Column 2, Line 39-Column 3, Line 39).

Referring to Claim 12: Claim 12 parallels the limitations of Claim 9. As such, Claim 12 is rejected under the same basis as is Claim 9 as mentioned supra.

Referring to Claim 13: Cooperstein teaches the limitations of Claim 9.

Cooperstein, however, does not expressly disclose a system wherein the database stores a request for a partial withdrawal of the annuity principal; determine

whether the request meets the conditions for withdrawal; determine whether the contract was annuitized during a surrender charge period; determine a percentage of the annual payments to be withdrawn; and calculate a present value of a percentage of the remaining payments using the equation: Present value = (percentage of annual payments to be withdrawn) x (annual payment) x 1/((1 -vn)/d); where v-- 1/(1 + I0), I0 = AIR, d -- I0v, and n = (predetermined age) - (the age of annuitant on the annuitization date).

The Examiner notes that it is old and well known to one of ordinary skill in the art to utilize equations in order to calculate annuity payments, etc.

At the time of invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein for annuity valuation to include features as shown in the instant application for the purpose of further structuring a unique method and system for the enhancement of critical components within annuity contracts (Cooperstein: Column 2, Line 39-Column 3, Line 39).

Referring to Claim 14: Cooperstein shows the limitations of Claim 9.

Cooperstein, however, does not expressly disclose a system wherein the processor provides an amount waived and a percentage (%) withdrawn; and the processor calculates a reduction in the present value using the equation [See Equation].

The Examiner notes that it is old and well known to one of ordinary skill in the art to utilize equations in order to calculate annuity payments, etc.

At the time of invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein for annuity valuation to include

features as shown in the instant application for the purpose of further structuring a unique method and system for the enhancement of critical components within annuity contracts (Cooperstein: Column 2, Line 39-Column 3, Line 39).

Referring to Claim 15: Claim 15 serves as a mere obvious variant of Claim 14. As such, Claim 15 is rejected under the same basis as is Claim 14 as mentioned supra.

Referring to Claim 16: Claim 16 reflects the limitations of Claim 13. As such, Claim 16 is rejected under the same basis as is Claim 13 as mentioned supra.

Referring to Claim 17: Claim 17 parallels the limitations of Claim 14. As such, Claim 17 is rejected under the same basis as is Claim 14 as mentioned supra.

Referring to Claim 18: Claim 18 reflects the limitations of Claim 15. As such, Claim 18 is rejected under the same basis as is Claim 15 as mentioned supra.

Referring to Claim 19: Cooperstein shows the limitations of Claim 9.

Cooperstein, however, does not expressly disclose a system wherein the computer is configured to generate a signal signaling production of a check for one of the partial withdrawal amount and the surrender amount.

The Examiner notes that while Cooperstein may not expressly disclose a system wherein the computer is configured to generate a signal signaling production of a check for one of the partial withdrawal amount and the surrender amount, Cooperstein teaches a "system which finally prepares an appropriate transmittal letter based on the applicable ... and a check ..."

At the time of the invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein whereby "system which finally

prepares an appropriate transmittal letter based on the applicable ... and a check ..." could be further implemented to generate a signal signaling production of a check for one of the partial withdrawal/surrender amount for the purposes of calculating an annuity payment.

Referring to Claim 20: Claim 20 parallels the limitations of Claim 9. As such, Claim 20 is rejected under the same basis as is Claim 9 as mentioned supra.

Referring to Claim 21: Cooperstein discusses the limitations of Claim 20.

Cooperstein, however, does not expressly disclose a system wherein the computer is further configured to calculate a reserve amount, wherein the reserve amount is calculated using the equation: Reserve = Payment x 1/((1-vX)/d); where v = 1/(1 + I0), I0 = AIR, d = I0v, and x = number of payments remaining on the contract.

The Examiner notes that it is old and well known to one of ordinary skill in the art to utilize equations in order to calculate annuity payments, etc.

At the time of invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein for annuity valuation to include features as shown in the instant application for the purpose of further structuring a unique method and system for the enhancement of critical components within annuity contracts (Cooperstein: Column 2, Line 39-Column 3, Line 39).

Referring to Claim 22: Cooperstein shows the limitations of Claim 22.

Cooperstein, however, does not expressly disclose a system wherein the computer is further configured to discount the reserve at an interest rate equal to the AIR.

The Examiner notes that it is old and well known to one of ordinary skill in the art to utilize equations in order to calculate annuity payment results, etc.

At the time of invention it would have been obvious to one of ordinary skill in the art to modify the system and method of Cooperstein for annuity valuation to include features as shown in the instant application for the purpose of further structuring a unique method and system for the enhancement of critical components within annuity contracts (Cooperstein: Column 2, Line 39-Column 3, Line 39).

Referring to Claim 23: Claim 23 reflects the limitations of Claim 19. As such, Claim 23 is rejected under the same basis as is Claim 19 as mentioned supra.

Referring to Claims 24-38: Claims 24-38 are the methods for the system of Claims 9-23. As such, Claims 24-38 are rejected under the same basis as are Claims 9-23 as mentioned supra.

Response to Arguments

8. Applicants arguments filed 12 June 2008 have been fully considered but are found to be **moot** and **non-persuasive** in view of the new grounds of rejection.

Examiner Note

9. **The Examiner has pointed out particular reference(s) contained in the prior art of** record within the body of this action for convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may

apply. **Applicant**, in preparing the response, should **fully consider the entire reference** as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

Conclusion

10. Any inquiry concerning this communication should be directed to BENJAMIN S. FIELDS at telephone number 571.272.9734. The examiner can normally be reached MONDAY through THURSDAY, between the hours of 9AM to 7PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, KAMBIZ ABDI can be reached at (571) 272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Benjamin S. Fields
/Frantzy Poinvil/
Primary Examiner, Art Unit 3692
19 June 2008